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November 4, 2005

BY FED EX and HAND DELIVERY

The Honorable Joseph J. Farnan, Jr.
United States District Court
District of Delaware
844 King Street
Wilmington, DE 19801

Re: ***In re NorthWestern Corporation***
Bankruptcy Case No.: 03-12872 (JLP)

Dear Judge Farnan:

We write on behalf of NorthWestern Corporation ("NorthWestern") to report on the status of the parties' efforts to select a mediator to mediate the various actions involving Magten Asset Management Corp. ("Magten"), NorthWestern and other parties (the "Actions"), pending before this Court.

In accordance with Your Honor's October 24, 2005 Order (the "Order"), the parties actively engaged in discussions to select a mediator. The parties did reach agreement on two mediators, both prominent attorneys. Unfortunately, both individuals declined to serve as mediator due to a lack of availability in the time-frame contemplated by the Court's Order, even assuming a short extension of time. Some of the difficulty in selecting a mediator comes from the intent of the parties to find a mediator free from conflicts or relationships with the interested clients.

The parties are committed to continue their effort to select a mediator and to proceed with the mediation as soon as possible. In that spirit, NorthWestern has agreed to Magten's request that NorthWestern pay the mediator's fees.

NorthWestern has made every effort to comply with Your Honor's Order, to promptly take all steps necessary to proceed with the mediation. Unfortunately, however, despite our best efforts, we are constrained to ask the Court for a further one week extension of

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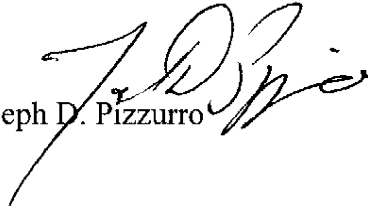
Page 2

Hon. Joseph J. Farnan, Jr.
November 4, 2005

time to select a mediator. NorthWestern remains ready, willing and able to proceed with the mediation as soon as possible.

I have been advised by counsel for Magten and the Plan Committee that they support this request for an extension.

Respectfully Submitted,


Joseph D. Pizzurro

cc: Clerk of Court (*Via CMF*)
Bonnie Steingart, Esq. (*Via E-Mail*)
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Office of the United States Trustee (*Via Federal Express*)